



FY 2013-14

1st Quarter Financial Report **(Quarter Ending 09/30/2013)**

November 21, 2013

Budget & Management Services and Finance



FY 2014 Financial Update

- The update reflects the Administration's effort to continually monitor the City's financial status and update City Council.
- The next financial update will be given on February 20th.
- Budget Calendar on this agenda cycle (item #9487) for Council approval.



General Fund



General Fund - Revenues

- Reminder...
 - First quarter is the least indicative of full year results.
 - Property tax revenues representing 54% of General Fund budget are mostly collected in December and January.
 - First sales tax payment for fiscal year not received until October.

General Fund – Revenues



- Property taxes up from same period last year (15.99%).
- Utility taxes flat from same period last year (-0.12%).
- Licenses down from same period last year (-0.73%).
- Permits up from same period last year (20.14%).
- Occupancy tax up from same period last year (13.56%).

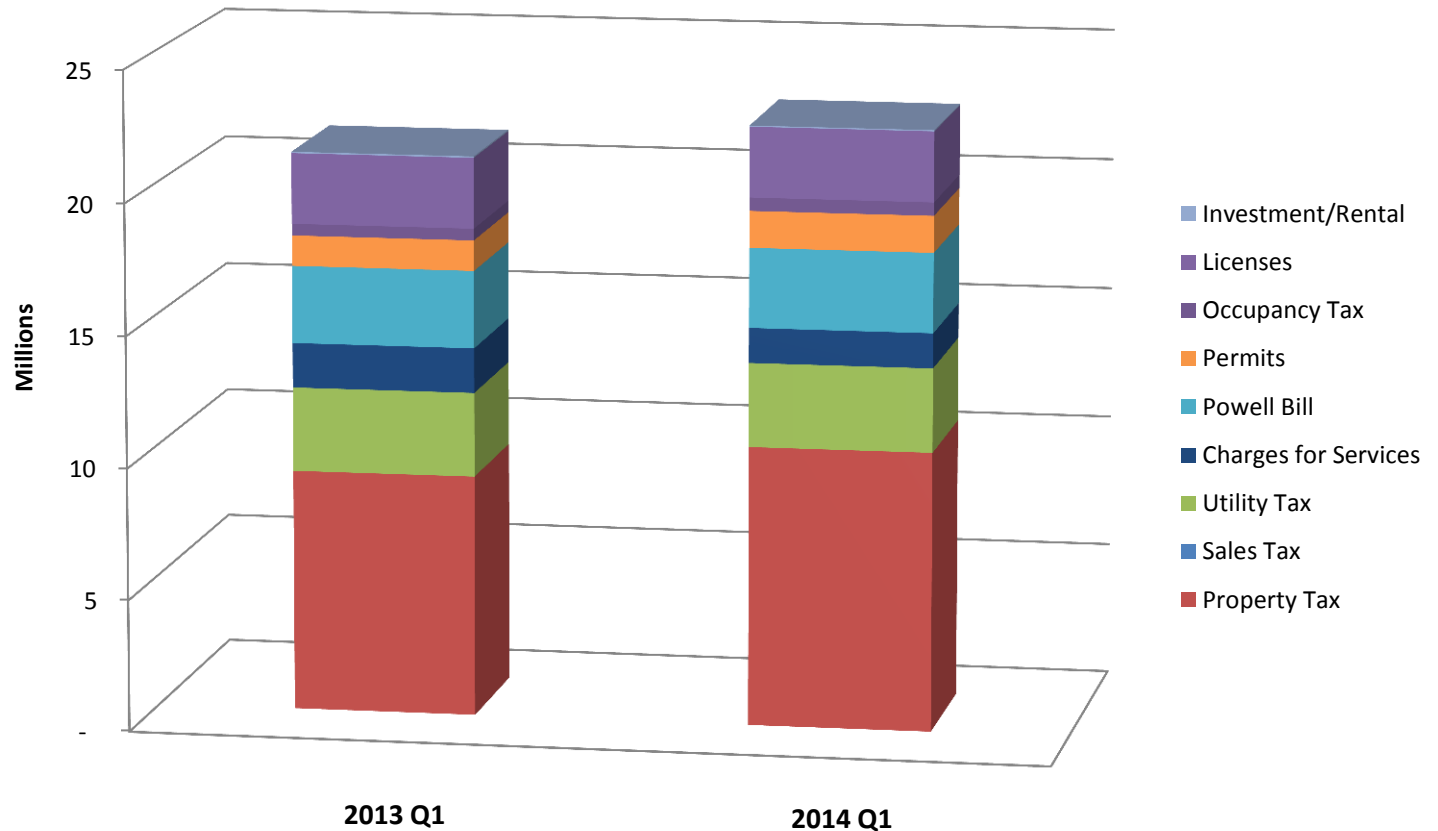
General Fund – Revenues (cont.)



- Powell Bill up from same period last year (2.85%).
- Charges for Services down from same period last year (-21.99%).
- Investment / Rental Income down from same period last year (-17.19%)











General Fund Major Revenue Q1, 2013 vs. Q1 2014



General Fund Major Revenue

Q1, 2013 vs. Q1 2014

Property Tax		Revenues have increased 15.99% compared to First Quarter FY13
Sales Tax		
Utility Tax		Revenues have decreased 0.12% compared to First Quarter FY13
Licenses		Revenues have decreased 0.73% compared to First Quarter FY13
Permits		Revenues have increased 20.14% compared to First Quarter FY13
Occupancy Tax		Revenues have increased 13.56% compared to First Quarter FY13
Powell Bill		Revenues have increased 2.85% compared to First Quarter FY13
Charges for Services		Revenues have decreased 21.99% compared to First Quarter FY13
Investment/Rental		Revenues have decreased 17.19% compared to First Quarter FY13



General Fund - Revenues

	FY 2014 ADJUSTED BUDGET	ACTIVITY THROUGH SEPT 2013	PROJECTION THROUGH YEAR END	VARIANCE TO FINAL BUDGET- POSITIVE (NEGATIVE)
REVENUES				
Property taxes	\$ 90,655,790	\$ 10,611,045	\$ 90,655,790	\$ -
Sales taxes	37,304,762	-	36,930,957	(373,805)
Hotel/Motel Occupancy tax	1,760,000	500,558	1,832,000	72,000
Other local taxes	307,715	94,727	234,344	(73,371)
Licenses	2,937,000	2,644,738	2,850,000	(87,000)
Permits	4,267,946	1,408,554	4,280,412	12,466
Utility franchise tax	13,793,605	3,189,843	13,808,000	14,395
Powell bill	5,816,807	3,025,671	6,000,000	183,193
Other intergovernmental revenues	3,640,073	483,781	3,627,420	(12,653)
Investment and rental income	271,332	43,977	271,332	-
Charges for services	6,871,906	1,229,662	6,591,342	(280,564)
Intragovernmental services	530,000	71,639	300,000	(230,000)
Assessments	100,000	26,642	100,000	-
Sale of property and miscellaneous	780,429	184,152	1,090,721	310,292
Total revenues	<u>169,037,365</u>	<u>23,514,989</u>	<u>168,572,318</u>	<u>(465,047)</u>



General Fund - Revenues

	FY 2014 ADJUSTED BUDGET	ACTIVITY THROUGH SEPT 2013	PROJECTION THROUGH YEAR END	VARIANCE TO FINAL BUDGET- POSITIVE (NEGATIVE)
REVENUES				
OTHER FINANCING SOURCES				
Transfer from other funds	200,000	-	200,000	-
Debt refunding	-	-	-	-
Transfer from reserves	4,318,909	-	4,090,457	(228,452)
Appropriation from fund balance	394,455	-	-	(394,455)
Total other financing sources	<u>4,913,364</u>	<u>-</u>	<u>4,290,457</u>	<u>(622,907)</u>
Total revenues and other financing sources	<u>\$173,950,729</u>	<u>\$ 23,514,989</u>	<u>\$ 172,862,775</u>	<u>\$ (1,087,954)</u>



General Fund - Expenditures

- Year-end operations spending projected at \$1.09M less than budgeted
 - Personnel costs under-budget by \$816K or approximately 0.64%
 - Operating costs under budget by \$259K or 0.76%
- No departments are projected to go over-budget.



General Fund - Expenditures

					VARIANCE TO
DEPARTMENT	FY 2014 ADJUSTED BUDGET	ACTIVITY THROUGH SEPT 2013	ENCUM- BRANCE BALANCE	PROJECTION THROUGH YEAR END	FINAL BUDGET- POSITIVE (NEGATIVE)
Audit Services	\$ 546,258	\$ 132,210	\$ 47,279	\$ 546,258	\$ -
Budget & Management Services	1,225,398	277,339	20,533	1,225,398	-
City Attorney	1,611,664	373,755	28,900	1,611,658	6
City Clerk	632,471	148,300	2,347	632,350	121
City Council	934,116	194,557	14,024	888,368	45,748
City Manager/One Call/Public Affairs	3,030,551	650,448	40,799	3,030,551	-
City/County Inspections	3,548,230	795,143	6,769	3,546,650	1,580
City/County Planning	3,068,832	681,975	7,048	3,068,832	-
Economic & Workforce Development	4,343,129	860,221	1,638,805	4,339,179	3,950
Emergency Communications	4,930,943	1,121,694	160,769	4,762,756	168,187
Emergency Management	197,348	49,337	-	197,348	-
Equal Opportunity-Equity Assurance	723,565	284,014	45,096	723,565	-



General Fund - Expenditures

DEPARTMENT	FY 2014 ADJUSTED BUDGET	ACTIVITY THROUGH SEPT 2013	ENCUM- BRANCE BALANCE	PROJECTION THROUGH YEAR END	VARIANCE TO FINAL BUDGET- POSITIVE (NEGATIVE)
Finance	4,470,693	830,049	43,565	4,470,693	-
Fire	23,583,781	5,496,625	140,551	23,557,759	26,022
Fleet Maintenance	4,201,362	862,411	397,949	4,196,070	5,292
General Services	11,642,456	2,500,618	1,129,285	11,632,559	9,897
Housing & Community Development	2,084,806	496,199	527,349	2,084,806	-
Human Resources	1,712,554	374,052	22,943	1,712,554	-
Neighborhood Improvement Service	3,542,495	923,887	191,214	3,537,701	4,794
Parks & Recreation	11,012,371	2,558,943	447,089	10,774,944	237,427
Police	53,099,605	11,967,072	1,194,207	52,813,309	286,296
Public Works	8,047,116	1,649,990	555,913	7,840,678	206,438
Technology Solutions	5,950,562	1,595,592	843,225	5,950,562	-
Transportation	7,347,717	1,987,221	236,807	7,347,717	-



General Fund - Expenditures

DEPARTMENT	FY 2014 ADJUSTED BUDGET	ACTIVITY THROUGH SEPT 2013	ENCUM- BRANCE BALANCE	PROJECTION THROUGH YEAR END	VARIANCE TO FINAL BUDGET- POSITIVE (NEGATIVE)
NonDepartmental	9,846,100	1,494,439	1,298,487	9,753,904	92,196
Indirect Cost	(8,215,939)	-	-	(8,215,939)	-
Debt Service	90,000	25,563	-	90,000	-
Transfer	10,742,545	7,362	-	10,742,545	-
Total	173,950,729	38,339,016	9,040,953	172,862,775	1,087,954

CLASS	FY 2014 ADJUSTED BUDGET	ACTIVITY THROUGH SEPT 2013	ENCUM- BRANCE BALANCE	PROJECTION THROUGH YEAR END	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
Personal services	\$ 127,718,450	\$ 29,499,343	\$ 204,912	\$ 126,902,066	\$ 816,384
Operating expenditures	34,613,560	8,583,336	8,510,220	34,354,184	259,376
Capital outlay	669,165	223,412	325,821	666,971	2,194
Appropriation not authorized for expend	117,009	-		107,009	10,000
Debt service	90,000	25,563	-	90,000	-
Transfers out	10,742,545	7,362	-	10,742,545	-
Total	173,950,729	38,339,016	9,040,953	172,862,775	1,087,954



Enterprise Funds



Water & Sewer Fund

- Operating revenues at 27% of yearly budget
- Operating expenses at 20% of yearly budget
- Consumption for the First quarter of FY14 is 4% lower than consumption for the same period in FY13.
- Overall, fund is expected to finish with a deficit for FY 14.



Water & Sewer Fund - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 81,353,881	\$ 22,189,022	\$ 77,925,625	\$ (3,428,256)
Permits	59,000	21,250	71,760	12,760
Total operating revenues	81,412,881	22,210,272	77,997,385	(3,415,496)
Non-operating revenues				
Miscellaneous	1,349,028	593,686	1,535,194	186,166
Investment Income	190,000	12,464	190,000	-
Operating transfers from other funds	298,288	-	298,288	-
Transfer from reserves	2,428,752	-	2,428,752	-
Appropriation from fund balance	3,080,194	-	3,080,194	-
Total Non-operating revenues	7,346,262	606,150	7,532,428	186,166
Total revenues	\$ 88,759,143	\$ 22,816,422	\$ 85,529,813	\$ (3,229,330)



Water & Sewer Fund - Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Expenditures				
Personal Services	\$ 23,787,418	\$ 5,249,693	\$ 23,698,997	\$ 88,421
Operating expenditures	24,419,935	4,972,149	24,388,699	31,236
Non-departmental administration	5,997,679	-	5,997,679	-
Capital outlay	19,318	8,374	18,818	500
Debt service principal and interest	18,571,664	4,554,772	18,571,664	-
Operating transfers to other funds	15,963,129	-	15,963,129	-
Total expenditures	\$ <u>88,759,143</u>	\$ <u>14,784,987</u>	\$ <u>88,638,986</u>	\$ <u>120,157</u>
Revenues less Expenditures		8,031,434	(3,109,173)	



W&S Capital Facility Fee Fund

- Capital Facility Fees are derived from charges to new development or facility expansion.
- Funding provided to the Water and Sewer Construction Fund to support capital improvements.
- First quarter results are \$157,000 greater than Q1 FY 13.
- Collected surplus is credited toward fund balance.



Transit Operations Fund

- Transit Operations Fund overall expected to operate at budget.
- Timing of receipts makes Q1 estimates very preliminary
- Tax rate of 3.87 cents per \$100 (about \$9.17M) is budgeted in the Transit Fund.



Transit Operations Fund - Revenues

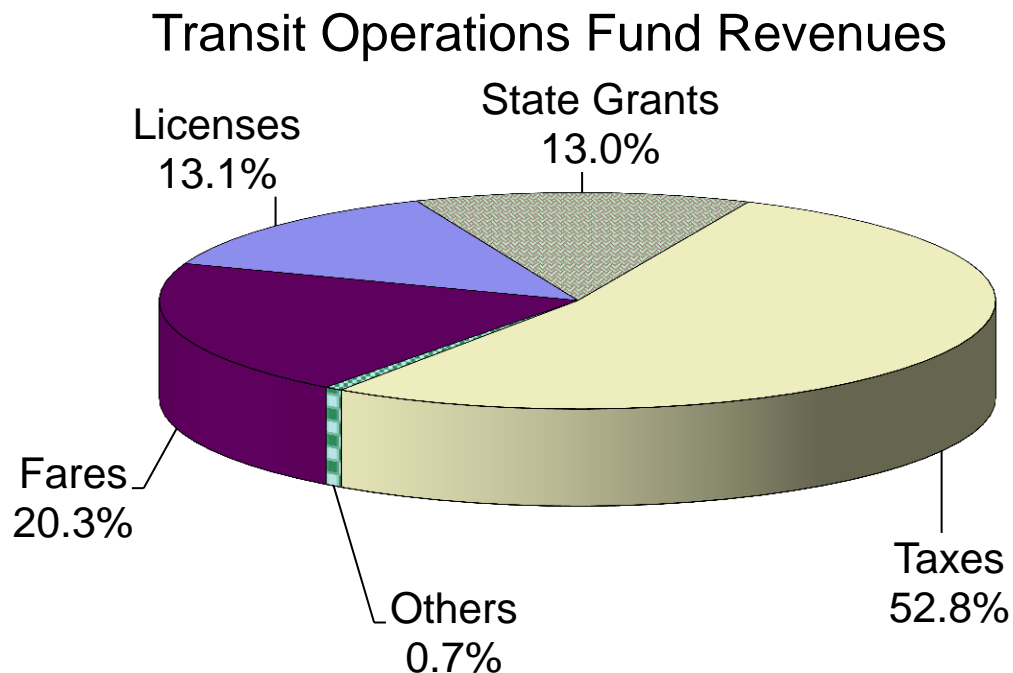
	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 5,892,329	\$ 710,865	\$ 5,892,329	\$ -
Non-operating revenues				
Taxes	9,172,303	996,894	9,172,303	-
Miscellaneous	2,282,279	529,525	2,282,279	-
Investment Income	10,000	(1,558)	10,000	-
Transfer from reserves	721,428	-	721,428	-
Total Non-operating revenues	12,186,010	1,524,861	12,186,010	-
Total revenues	\$ 18,078,339	\$ 2,235,727	\$ 18,078,339	\$ -



Transit Operations Fund – Expenses

		Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Expenditures					
Operating expenditures	\$	16,367,017	\$ 2,743,530	\$ 16,367,017	\$ -
Non-departmental administration		324,921	-	324,921	-
Debt service principal and interest		212,737	165,509	212,737	-
Operating transfers to other funds		1,173,664	-	1,173,664	-
Total expenditures	\$	<u>18,078,339</u>	<u>\$ 2,909,040</u>	<u>\$ 18,078,339</u>	<u>\$ -</u>
Revenues less Expenditures		-	(673,314)	-	

Transit Fund- Source of Funding





Solid Waste Fund

- Revenues projected slightly under budget due to lower revenues from the state solid waste disposal tax.
- Expenditures projected slightly under budget due to operational savings and lapsed salary.
- FY 14 represents first year collection of revenue from the monthly Solid Waste fee. \$1.47 million in revenue projected.
- The Solid Waste Disposal Fund budgeted to receive 41% of fund needs through charges and other non-tax revenue sources.



Solid Waste Fund - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ <u>7,990,502</u>	\$ <u>2,105,416</u>	\$ <u>7,953,268</u>	\$ <u>(37,234)</u>
Non-operating revenues				
Investment Income	15,000	95	15,000	-
Miscellaneous	145,725	21,885	145,725	-
LOBS proceeds	2,703,159	-	2,703,159	-
Operating transfers from other funds	11,914,510	-	11,914,510	-
Transfer from reserves	<u>445,978</u>	<u>-</u>	<u>445,978</u>	<u>-</u>
Total Non-operating revenues	<u>15,224,372</u>	<u>21,980</u>	<u>15,224,372</u>	<u>-</u>
Total revenues	\$ <u>23,214,874</u>	\$ <u>2,127,396</u>	\$ <u>23,177,640</u>	\$ <u>(37,234)</u>



Solid Waste Fund - Expenses

	<u>Adjusted Budget</u>	<u>Actual</u>	<u>Year-End Projection</u>	<u>Year-End Positive/ (Negative)</u>
Expenditures				
Personal Services	\$ 6,317,830	\$ 1,439,120	\$ 6,307,115	\$ 10,715
Operating expenditures	10,292,457	1,894,191	10,208,004	84,453
Non-departmental administration	153,670	-	153,670	-
Debt service principal and interest	3,040,706	200,992	3,040,706	-
Operating transfers to other funds	<u>3,410,211</u>	<u>-</u>	<u>3,410,211</u>	<u>-</u>
Total expenditures	<u>\$ 23,214,874</u>	<u>\$ 3,534,303</u>	<u>\$ 23,119,706</u>	<u>\$ 95,168</u>
Revenues less Expenditures		(1,406,906)	57,934	



Stormwater Fund

- Provides for the management and maintenance of operational expenses of stormwater activities which include street cleaning.
- The fund is a self-sufficient enterprise fund and receives no tax support.
- At quarter-one, the Stormwater Fund has received 42% of projected revenues. Fund anticipating surplus due to personnel and operating savings..



Stormwater Fund - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 13,265,599	\$ 5,575,928	\$ 13,277,599	\$ 12,000
Non-operating revenues				
Miscellaneous	-	-	-	-
Investment Income	11,000	1,779	11,000	-
Operating transfers from other funds	232,047	-	232,047	-
Transfer from reserves	385,124	-	94,314	(290,810)
Appropriation from fund balance	134,172	-	-	(134,172)
Total Non-operating revenues	762,343	1,779	337,361	(424,982)
Total revenues	\$ 14,027,942	\$ 5,577,707	\$ 13,614,960	\$ (412,982)



Stormwater - Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Expenditures				
Personal Services	\$ 6,258,808	\$ 1,321,394	\$ 5,884,527	\$ 374,281
Operating expenditures	2,515,868	415,630	2,483,167	32,701
Non-departmental administration	855,266	-	855,266	-
Capital outlay	40,000	1,240	34,000	6,000
Operating transfers to other funds	<u>4,358,000</u>	<u>-</u>	<u>4,358,000</u>	<u>-</u>
Total expenditures	<u>\$ 14,027,942</u>	<u>\$ 1,738,265</u>	<u>\$ 13,614,960</u>	<u>\$ 412,982</u>
Revenues less Expenditures		3,839,442	-	



Parking Fund

- The Parking fund operating revenues fully cover fund operating expenses.
- Debt Service Fund subsidizes the debt portion of the fund.
- Parking Fund is expected to operate within budget expectations.



Parking Fund - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 2,656,838	\$ 589,476	\$ 2,656,838	\$ -
Non-operating revenues				
Investment Income	2,000	(121)	2,000	-
Miscellaneous	480	-	480	-
Operating transfers from other funds	1,999,039	-	1,999,039	-
Transfer from reserves	319,585	-	319,585	-
Total Non-operating revenues	2,321,104	(121)	2,321,104	-
Total revenues	\$ 4,977,942	\$ 589,356	\$ 4,977,942	\$ -



Parking Fund - Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Expenditures				
Personal Services	\$ 121,369	\$ 14,683	\$ 121,369	\$ -
Operating expenditures	1,974,494	484,406	1,974,494	-
Non-departmental administration	453,881	-	453,881	-
Capital outlay	196,373	16,524	196,373	-
Debt service principal and interest	1,999,039	-	1,999,039	-
Transfer to fund balance	<u>232,786</u>	<u>-</u>	<u>232,786</u>	<u>-</u>
Total expenditures	\$ <u>4,977,942</u>	\$ <u>515,613</u>	\$ <u>4,977,942</u>	\$ <u>-</u>
Revenues less Expenditures		73,742	-	



Ballpark Fund

- The Ballpark Fund relies on the General Fund and Debt Service Fund for 59% of its adjusted budget.
- Projecting the budget to be on target based on realized revenues and projected personnel savings.



Ballpark Fund - Revenues

	<u>Adjusted Budget</u>	<u>Actual</u>	<u>Year-End Projection</u>	<u>Year-End Positive/ (Negative)</u>
Revenues				
Operating revenues	\$ <u>329,000</u>	\$ <u>58,803</u>	\$ <u>329,000</u>	\$ <u>-</u>
Non-operating revenues				
Non-operating revenues	181,910	97,094	181,910	-
Investment Income	2,000	(43)	2,000	-
Operating transfers from other funds	1,017,259	-	1,017,259	-
Transfer from reserves	<u>195,492</u>	<u>-</u>	<u>195,492</u>	<u>-</u>
Total Non-operating revenues	<u>1,396,661</u>	<u>97,050</u>	<u>1,396,661</u>	<u>-</u>
Total revenues	\$ <u>1,725,661</u>	\$ <u>155,853</u>	\$ <u>1,725,661</u>	\$ <u>-</u>



Ballpark Fund - Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Expenditures				
Personal Services	\$ 65,476	\$ 15,291	\$ 39,991	\$ 25,485
Operating expenditures	568,401	286,307	593,886	(25,485)
Non-departmental administration	133,691	-	133,691	-
Debt service principal and interest	747,367	298,319	747,367	-
Operating transfers to other funds	210,726	-	210,726	-
Transfers to fund balance	-	-	-	-
Total expenditures	\$ <u>1,725,661</u>	\$ <u>599,917</u>	\$ <u>1,725,661</u>	\$ <u>-</u>
Revenues less Expenditures	-	(444,064)	-	



Durham Performing Arts Center - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 930,000	\$ -	\$ 930,000	\$ -
Non-operating revenues				
Taxes	1,350,000	364,813	1,400,000	50,000
Naming rights	400,000	-	400,000	
Ticket facility fee	470,000	55,412	450,000	(20,000)
Investment Income	2,000	304	2,000	-
Appropriation from fund balance	590,771	-	590,711	(60)
Total Non-operating revenues	2,812,771	420,529	2,842,711	29,940
Total revenues	\$ 3,742,771	\$ 420,529	\$ 3,772,711	\$ 29,940



DPAC - Expenses

	Adjusted <u>Budget</u>	<u>Actual</u>	Year-End <u>Projection</u>	Year-End Positive/ (Negative)
Expenditures				
Personal Services	\$ 6,404	\$ -	\$ 6,404	\$ -
Operating expenditures	135,000	12,612	115,000	20,000
Non-departmental administration	296,831	-	296,831	-
Debt service principal and interest	2,487,536	-	2,487,536	-
Operating transfers to other funds	<u>817,000</u>	<u>-</u>	<u>817,000</u>	<u>-</u>
Total expenditures	\$ <u>3,742,771</u>	\$ <u>12,612</u>	\$ <u>3,722,771</u>	\$ <u>20,000</u>
Revenues less Expenditures		407,917	49,940	



DPAC Reserve

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Non-operating revenues				
Investment Income	\$ 3,000	\$ 390	\$ 3,000	\$ -
Operating transfers from other funds	617,000	-	617,000	-
Transfer from reserves	9,440	-	9,440	-
Total Non-operating revenues	<u>629,440</u>	<u>390</u>	<u>629,440</u>	<u>-</u>
 Total revenues	 \$ <u>629,440</u>	 \$ <u>390</u>	 \$ <u>629,440</u>	 \$ <u>-</u>
Expenditures				
Operating expenditures	\$ <u>629,440</u>	\$ <u>62,665</u>	\$ <u>543,236</u>	\$ <u>86,204</u>
Total expenditures	<u>\$ 629,440</u>	<u>\$ 62,665</u>	<u>\$ 543,236</u>	<u>\$ 86,204</u>
 Revenues less Expenditures		(62,274)	86,204	



Other Projects

- Performance Management
- SOG Benchmarking Project
- Multi Year Financial Plan – (General Fund, Transit, Solid Waste)
- Departmental Strategic Plans
- Resident Survey
- Monthly Financial Report
- Fleet Study